M/s. Jindal Vijayanagar Steel Limited to produce 1.25 million tonnes per annum of HR Steel Sheets/strips/plates, at Thoranagallu, Bellary-Hospet area in the State of Karnataka.

Setting up Steel Plants in Orissa

4343. SHRI RAMDAS AGARWAL: Will the Minister of STEEL be pleased to state:

(a) what progress has so far been made (till 8th August, 1994) for setting up a 1.5 million tonne capacity integrated steel plant at Daitari and whether Orissa Government have approached the Central Government for any approval/ assistance in this regard;

(b) whether Government have chalked out any plan to set up more steel plants in the country during the Eighth Five Year Plan period, indicating State-wise locations thereof; and

(c) which are the Indian/foreign companies interested in setting up joint ventures pertaining to Ferro-Alloys, Semi processed and processed minerals/metals in the country indicating the position till date?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) Central Government had earlier accorded approval for foreign investment for setting up an integrated steel plant at Daitari (Orissa) under the name of Kalinga Steels (India) Ltd. (KSIL) in pursuance of an MOU signed between Dr. Swraj Paul, Chairman, Caparo Group, U.K. and Government of Orissa. However, as per information received from the Government of Orissa, the collaboration with Caparo Group to establish the said steel plant has since ceased. Government of Orissa has further informed that it has now signed an MOU with the MESCO Group on 4.5.1994 to set up an integrated steel plant with a capacity of 1.5 million tpa at the same location at a project cost of Rs. 2700 crores under 100% EOU scheme. So far, the State Government have not approached the Central Government for any approval/assistance in this regard.

(b) The Central Government do not propose to set up new iron and steel units. Under the New Industrial Policy announced in July, 1991, "iron and steel" has been removed from the list of industries reserved for the public sector, and also exempted from the requirements of compulsory licensing except for certain locational restrictions. No industrial licence is, therefore, required for setting up iron and steel units, and it is upto individual entrepreneurs to pursue their projects.

(c) As per available information, while no joint-venture proposal has been received for ferro-alloys, manganese ore and chrome ore, M/s. Shougang Corporation of China has shown interest in taking up iron ore mining projects in India through establishment of joint ventures with the National Mineral Development Corporation Limited (NMDC). However, no decision has been taken so far. The Orissa Mining Corporation (OMC), a PSU of the State Government also proposes to take up development of Gandhamardhan and Malangtol Iron Ore deposits in Orissa as joint ventures. Among the parties which have evinced interest in the project are RTZ of U.K., Elsenberg of Israel, BHP of Australia and the Ispat Group. These efforts are stated to be at a preliminary stage.

Price of CR Coils

4344. SHRI JIBON ROY: Will the Minister of STEEL be pleased to state:

(a) whether it is fact that as a result of massive cut in customs duty; the domestic price of CR coils has become costlier than imported price of CR coils;

(b) if so, what steps Government have taken to protect the cold rolling mills in India; and

(c) the quantity of CR coils impoted during April-June, 1994 and the import during the corresponding period of 1993 ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) The landed cost of ordinary tested grade CR coils (0.63mm) in July' 94 based on average indicative C&F price was about Rs. 26347 per tonne. The average domestic market price for CR coils (0.63mm) in July' 94 varied between Rs. 18500 to Rs. 22000 per tonne in different regions of the country. Domestic price of CR coils (0.63mm ordinary tested grade) is thus not higher than the landed cost of imported CR coils.

(c) As against the import of 32.1 thousand tonnes in April-June'93, the import of CR coils